

CHIEF EXECUTIVE'S STATEMENT



THE MORE WE BEHAVE IN LINE WITH OUR PURPOSE, THE BETTER OUR BUSINESS WILL PERFORM."

Mark Read
Chief Executive Officer

Our industry is at the heart of many of the pressing issues that we face as a society – diversity, racial equity, privacy, data ethics and, of course, climate change. What we do and the judgements we make are critically important. Tackling these issues is not a 'nice to have': it is becoming integral to how we do business.

Our purpose at WPP is to use the power of creativity to build better futures for our people, planet, clients and communities. This report sets out the various ways in which we are working to do that. The more we behave in line with our purpose, the better our business will perform and the greater the sustainable returns will be to our shareholders. Unilever, when announcing the result of its recent media review, specifically referred to Mindshare's Good Growth programme as being an important factor in WPP's retention of the account.

BETTER FUTURES FOR OUR PEOPLE

We continue to focus on providing greater support and opportunities for our people.

A personal priority of mine is investing in mental health and breaking down the stigma surrounding it. In 2021, we launched our cross-agency Mental Health Allies programme, providing training to 500 leaders, HR

professionals and volunteers across the UK and United States. We plan to expand the programme to more regions in 2022.

We continue to focus on driving greater gender balance. Women now represent more than half of our senior managers and make up 39%¹ of executive leadership roles¹. At Board level, the proportion of women is 43%. WPP was recognised in the Bloomberg Gender-Equality Index for the fourth consecutive year and as one of the best places to work for LGBTQ+ equality in the Corporate Equality Index. We are now ranked in the top 10 for gender representation among Executive Committee and direct reports in the FTSE Women Leaders Review.

While we continue to make progress in improving our diversity, we also know we have much more to do to ensure WPP represents the diversity of the societies in which we operate, which is why we are placing diversity, equity and inclusion at the

¹ Executive leadership roles are defined by WPP as the agency board and executive leadership population as reported through WPP's financial reporting system.

² This metric was subject to independent limited assurance procedures by PricewaterhouseCoopers LLP ('PwC') for the year ended 31 December 2021. For PwC's 2021 Limited Assurance report and the 'WPP Sustainability Reporting 2021' for assured metrics see page 58.

centre of our recruitment and development processes, using analytics to provide a more inclusive employee experience. In this report we publish data on our gender and, for the UK and United States, ethnic representation.

To underline the importance of our commitments and to ensure accountability, in 2021 we included DE&I goals in the annual incentive plans of our leadership across WPP for the first time, including mine. Our Inclusive Leadership Learning Experience pilot helped over 1,000 mid-level managers foster a culture of belonging for everyone in their teams. We implemented our new diverse candidate slate policy in APAC, Canada, the UK and United States, which means that roles are specifically marketed and accessible to candidates from underrepresented groups. And we launched our first company-wide LGBTQ+ community, Unite. You can read about the impact Unite is having throughout this report.

As a member of the UN Global Compact, we remain committed to embedding its ten principles for human rights, labour, environment and anti-corruption in our business. This report shows our progress.

i Read more on pages 16-28

BETTER FUTURES FOR OUR PLANET

In April, we committed to reach net zero emissions in our operations (Scope 1 and 2) by 2025 and across our supply chain by 2030. These goals are underpinned by carbon-reduction targets that are in line with the Paris Climate Agreement and verified by the Science Based Targets initiative (SBTi). We aim to reduce absolute Scope 1 and 2 emissions by at least 84% by 2025 and absolute Scope 3 emissions by at least 50% by 2030, both from a 2019 base year.

In December, this ambition and our emissions-reduction targets were recognised by CDP awarding us an A- rating.

With over \$50 billion of advertising placed in the media each year, WPP is the world's largest buyer of advertising space. Our net zero commitment is unique in our industry because we are the only marketing communications company to include the emissions from media placement, which account for more than half of our total carbon footprint. Through our Media Decarbonisation programme, we aim to develop the technology and standards to measure and reduce emissions from advertising globally. We are already starting to see carbon emissions influence where client media investments are made and we expect this to grow over the coming years.

Media decarbonisation is just one area in which we are investing to support clients to meet their own commitments. Another critical arc is production, where we are developing technology to create virtual production sets and investing in artificial intelligence (AI) so we can tag, search, identify and repurpose everything we film. Our aim is to reduce waste and emissions in production; currently, we shoot four hours of footage for every minute of film that is used.

From production to media investment, a significant challenge for reducing carbon emissions is being able to measure them with confidence. We are working to improve the quality and coverage of our own emissions data and are determined to use our buying power to work with suppliers to develop more robust protocols for measuring emissions.

In November, we successfully amended and supplemented the \$2.5 billion revolving credit facility to link the margin on the facility to specific sustainability measures, an important first step in WPP's journey to embed our carbon-reduction targets and broader sustainability commitments into our financing arrangements.

i Read more on pages 29-36

BETTER FUTURES FOR OUR CLIENTS

Our greatest impact is through the work we do for our clients. We reach billions of people with work that can shift perceptions and change behaviour at scale.

When I speak to our clients and partners, sustainability is frequently top of mind. Our clients are focused on how to ensure the targets and pledges they are making, from combatting climate change to tackling racial inequity, translate into tangible change. Demand for advice on brand purpose, and support on everything from environmental and inclusive product design to changing customer behaviour, is a major driver of growth.

The examples included in this report – which range from helping homeless people reconnect with society by enabling them to open bank accounts without official documents, to an immersive experience on the plastic crisis that helped protect over 22,000 square kilometres of ocean – demonstrate our wider impact and contribution towards the UN Sustainable Development Goals.

i Read more on pages 37-41

BETTER FUTURES FOR OUR COMMUNITIES

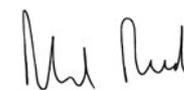
The aim of our purpose is to use the power of our creativity and voice to support healthy and vibrant communities. I'm particularly proud of our work to support the World Health Organization (WHO). Since the start of the pandemic, we have partnered with the WHO on a pro bono basis, helping them to deliver vital public health messages, combat misinformation and encourage people to get vaccinated, reaching tens of millions of people across 167 countries in more than 20 languages.

In many parts of the world, people still cannot access Covid-19 vaccines. So, in 2021, we teamed up with the WHO Foundation to create the \$5 Vaccine (\$5V) campaign, encouraging people across the globe to donate the price of a coffee to fund vaccines for lower-income countries. A great example of cross-agency collaboration, the \$5V campaign was created and delivered by Ogilvy, Blue State, Landor & Fitch and GroupM. To enable all our people to play their part, we matched every \$5V bought by employees. We also donated 10,000 vaccines on behalf of our clients.

In 2021, we invested \$9.3 million in inclusion programmes, part of our wider anti-racism commitments announced in June 2020 and our pledge to invest \$30 million over three years. Through the programme, we invited "bold, audacious and creative" initiatives to apply for funding to advance racial equity in our communities. You can read about three of the projects that received funding on page 47.

i Read more on pages 42-47

We know these commitments are not only the right thing to do for our people, planet, clients and communities; they are also good for business. Our creativity, scale and power to bring people together puts us in a privileged position. We can help accelerate the transition to a low-carbon and more equitable economy, make sustainable lifestyles more desirable, and support our clients as they adapt and innovate – and, as we do so, we can also strengthen WPP's business and performance.



Mark Read
Chief Executive Officer